



February 15, 2008

BY ELECTRONIC FILING

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: *MB Dockets No. 98-120, 00-96, and 07-91*

Dear Ms. Dortch:

DIRECTV, Inc. and DISH Network submit this letter with respect to a potential requirement for carriage of each broadcaster's high definition ("HD") feed in markets where a satellite operator carries any broadcaster's HD feed ("HD carry-one, carry-all"). In response to concerns raised by DIRECTV and DISH Network, Commission staff has asked whether a phased-in implementation schedule with a hard deadline would address the problems associated with a premature deadline accompanied by a waiver process. If the Commission determines that an HD carry-one, carry-all requirement is an appropriate way to maximize local HD service to the public, it should establish rules that: (1) ensure a digital transition with a minimum of disruption; (2) preserve competition among MVPD providers; (3) avoid disrupting service to tens of millions of consumers; and (4) allow sufficient lead time for business planning and investment in the necessary technology.

Accordingly, any requirement the Commission may adopt for HD carry-one, carry-all should include quantifiable benchmarks and the following minimum amount of time to come into compliance:¹

One year after transition:	15% of HD markets served by the relevant operator
Two years after transition:	30% of HD markets served by the relevant operator
Three years after transition:	60% of HD markets served by the relevant operator
Four years after transition:	All HD markets served by the relevant operator

¹ This schedule is a result of substantial effort on both parties to achieve an industry-wide approach that protects 30 million DBS subscribers nationwide. To do this, both companies had to address the inherent challenges of accommodating different satellite configurations, satellite construction and launch schedules, ground infrastructure and customer equipment.

This schedule achieves steady progress toward full compliance in all markets, doubling the proportion of markets served in HD each year.² Meeting these benchmarks will not be a simple task; it will require both companies to continue to invest in new state-of-the-art satellites, maximize improvements in satellite technologies, and upgrade or build local ground infrastructure. None of these can occur overnight: building a satellite alone is a four-year proposition. Thus, accelerating this schedule would disrupt service to tens of millions of subscribers.

Even a phased-in approach will burden our systems and require us to maintain fallow bandwidth rather than providing our subscribers with more popular content.³ Conversely, carrying a broadcaster's signal in SD format would ensure that our subscribers receive all of the broadcast stations in a market. It is the added requirement of providing the signal in high definition that multiplies the burden without a corresponding public benefit. This burden, moreover, is significantly higher for DBS operators than its cable competitors, which actually gain capacity through the digital transition.⁴

In short, if the Commission is to adopt an HD carry-one, carry-all requirement, these proposed benchmarks will promote the goal of increased local HD carriage while establishing a dependable environment for business decisions, preserving competition in the video marketplace, and safeguarding the service received by tens of millions of satellite customers.

Sincerely,

/s/

Linda Kinney
Vice President, Law and Regulation
DISH Network

/s/

Susan Eid
Senior Vice President, Government Affairs
DIRECTV, Inc.

cc: Michelle Carey

² This approach is consistent with Commission precedent to phase-in regulatory requirements to "ensure that the goal of the statute is met in an efficient and practical matter." *See Closed Captioning and Video Description of Video Programming, Implementation of Section 305 of the Telecommunications Act of 1996 Video Programming Accessibility*, Report and Order, 13 FCC Rcd. 3272, ¶ 41 (1997) (providing an eight year transition schedule for closed captioning of video programming noting that "requiring distributors to implement captioning immediately could reduce the availability of certain types of video programming in the near term, or pose implementation problems.").

³ We strongly urge the Commission to adopt a rule that requires a broadcaster to produce a substantial number of hours of HD programming in order to be eligible for HD carry-one, carry-all.

⁴ *See, e.g., Carriage of Digital Television Broadcast Signals: Amendment to Part 76 of the Commissioner's Rules*, 20 FCC Rcd. 21064, ¶ 62 (2007) (explaining that "transmission of digital signals requires far less bandwidth than that required for analog signals, so cable companies transmitting signals, including must-carry signals, in digital rather than analog will gain bandwidth.")

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